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Item No. 9
Bill 10

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March 8, 2017

**TESTIMONY BEFORE THE HONOLULU CITY COUNCIL'S BUDGET COMMITTEE
ON BILL 10 DETERMINING THE COUNTY VEHICLE WEIGHT TAX RATES
FOR THE CITY & COUNTY OF HONOLULU**

Thank you Chair Manahan and Committee members. I am Gareth Sakakida, Managing Director of the Hawaii Transportation Association (HTA) with over 375 transportation related members throughout the state of Hawaii.

Hawaii Transportation Association opposes the proposed succession of vehicle weight tax increases slated for 2018 and 2019. The City added \$24 million via a vehicle weight tax increase in 2010, and an additional \$24 million in 2011.

So in 10 years the City wants at least \$96 million more in weight taxes, PLUS 3.5 cents per gallon on fuel?

The aggregate of the C&C of Honolulu's proposal and this year's State's proposal means increases of three cents per pound of weight tax, 10.5 cents per gallon of fuel, and \$30 in vehicle registration.

Every penny per pound costs us an average of \$400 per vehicle, and every penny in fuel tax increase means another \$75 in additional cost.

That means \$1200 in additional weight tax, \$787.50 in additional fuel tax, and \$30 additional registration for an additional \$2017.50 PER VEHICLE off the bottom line.

That totals \$3400 in weight tax, \$3262.50 in fuel tax, and \$30 additional registration for \$6732.50 PER VEHICLE in related taxes.

Over \$2,000 in tax increases for each vehicle is just too much to be absorbed by our commercial transportation industry.

Thank you.

